

**BOARD LETTER – SUMMARY SHEET
HEALTH AND MENTAL HEALTH SERVICES CLUSTER**

AGENDA REVIEW	5/6/15
BOARD MEETING	5/19/15
SUPERVISORIAL DISTRICT	ALL
DEPARTMENT	Mental Health (MH)
SUBJECT	Approval to award funding to five Legal Entity contractors for the provision of Projects for Assistance in Transition From Homelessness program services and to enter into a sole source agreement with one Legal Entity contractor for the provision of Projects for Assistance in Transition from Homelessness and program services in Service Areas 3 and 7.
PROGRAM	PATH Federal Block Grant (FBG) funds are used to provide services to individuals who are diagnosed with severe mental illness and/or with co-occurring substance abuse disorders who are also homeless or at imminent risk of becoming homeless. The Department has received PATH FBG funding since the early 1990 and has contracted with various agencies to provide PATH services. On June 30, 2014, the existing PATH program requirements and funding ended. DMH initiated an RFP process to identify new contractors to implement the redesigned PATH program.
DEADLINES	None
COST & FUNDING	The FY 2014-15 MCAs for each LE Agreement, are based on the amount contained in the FY 2014-15 Final Adopted Budget and are funded from the following sources: (1) Federal PATH Funds (\$ 657,756); (2) County General Funds-HPI Reprogramming funds (\$ 214,284); and (3) Federal Financial Participation (\$ 474,760) for a total funding amount of \$1,346,800.
PURPOSE OF REQUEST	Delegate authority to Mental Health Director to execute Amendments with five existing Department of Mental Health (DMH) Legal Entity (LE) Agreements for the provision of PATH program services; and delegate authority to enter into a sole source contract amendment, with an as-yet-to-be identified eligible LE provider, for the provision of PATH services in Service Areas 3 and 7. The LE provider will be awarded a total amount of \$812,825 for FYs 2014-15, 2015-16, and 2016-17 combined. In addition, the selected LE provider will be eligible to receive one-time start-up expenses and projected Medi-Cal Coverage Expansion (MCE) funding. DMH will continue with efforts to identify an eligible provider in these SAs; however, if an agreement cannot be negotiated by December 31, 2015, DMH will provide PATH services through DMH directly operated clinics in these service areas. And, delegate authority to the Director, to execute future amendments to these LE Agreements and establish as a new MCA the aggregate of the original agreement and all amendments through and including amendments that increase the MCA, provided that: 1) the County's total payments to each contractor under its Agreement for each fiscal year do not exceed an increase of 20 percent from the applicable Board-approved MCA; 2) any such increase will be used to provide additional services; 3) changes are necessary to reflect program and/or Board policy changes; 4) your Board has appropriated sufficient funds for all changes; 5) approval of County Counsel, or designee, as to form is obtained prior to any such amendment; 6) the County and Contractors may, by written amendment, mutually agree to reduce programs or services; and 7) the Director, or his designee, notifies your Board and the Interim Chief Executive Officer (CEO) of Agreement changes in writing within 30 days after execution of each amendment.

SUMMARY/ISSUES (Briefly summarize program and potential issues or concerns. Identify changes, if any, to level of funding or staffing; how funding will be utilized and why best use; and prior accomplishments.)	<p>DMH redesigned its existing PATH program to align with the Federal PATH program primary goals which are to assist individuals in accessing mental health services and housing. As part of this redesign, DMH released a Request For Proposals (RFP) to identify qualified providers of PATH services to serve individuals who are diagnosed with a severe mental illness who are homeless or at imminent risk of becoming homeless.</p> <p>DMH did not receive any responses to the PATH RFP for SAs 3 and 7, combined; therefore, DMH is also requesting authority to enter into a sole source agreement with an existing LE provider for the provision of a PATH program in these service areas.</p>
DEPT CONTACT	Deputy Director, Robin Kay, (213) 738-4108, RKay@dmh.lacounty.gov Stephanie Reagan, Deputy County Counsel, (213) 974-0941, Sreagan@counsel.lacounty.gov